

Lynn

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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RECEIVED
JAN 28 2014
DIV. OF OIL, GAS & MINING

LARGE MINING OPERATIONS PROGRESS REPORT
January 1, 20__ to December 31, 20__

The information required in this form is based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules under the Utah Minerals Regulatory Program. It is due January 31 of each year.

1. Mine Permit Number: MO30060
2. Mine Name: Green Peak
3. Name of Operator/Permittee: Dennis Longensor

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-REV.pdf.

4. Report the gross amount of ore mined and waste moved:

Gross Ore Mined 0 Tons, or 6 yd³
Waste Material Moved 2660 Tons, or — yd³

5. New disturbance created during the year 0 Acres
Area reclaimed during the year 0 Acres
Total disturbed area at the end of the year 5 Acres*

*The total disturbed area should not be greater than the permitted/bonded acreage

6. Briefly describe the reclamation work performed during the past year. (Submit form MR-SITE (https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf) to apply for full or partial bond/site release). Attach additional sheets if needed.

7. Include an updated map depicting surface disturbance and reclamation performed during the year (Rule R647-4-105).

I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Dennis Longensor
Title of Operator: —
Signature of Operator: Has Died
Date: Jan 2014 My Paulito
Land Owner

I & P Investments
11204 NW 37th Ct
Vancouver, WA. 98685

State of Utah
Paul Baker

Dear Sir:

I have received your letter last weekend on Division Directive to reclaim and the Inspection report both dated Dec. 16, 2013. In addition I have also received the annual permit fee statement due on 1/31/2014.

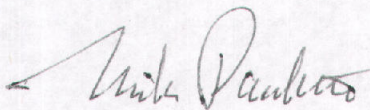
Fees will be paid and are being sent with this letter. I do not find that 2012 and 2013 have been paid.

I disagree with statements in your letter and in the inspection report. I will address them:

- 1 The mill site on Immigrant pass road has been cleaned up of all trash and equipment. This site has been active as recently as Oct. 2014. We have removed 2660 tons. We also removed material in July of 2008 and improved a section of Immigrant Pass Road. This has had a definite benefit to those using the road.
- 2 Reclamation of the access road: This road has not been improved with the exception the corner and drainage improvement going to the quarry. We had proposed to raise and widen the road to Grace Jensen and submitted a plan but did not do the work. We were granted the ability to use the mill area now called the new work site. **The road has not been improved** as we proposed. I strongly disagree with the BLM on our requirement to reclaim this road.
- 3 David Morris of Park Valley has agreed to be our new miner and perform reclamation when we are ready. You may not be aware that our first two operators had gone bankrupt and the last operator has died. We understand our obligation as a land owner to reclaim.
- 4 According the BLM, we are not able to restrict public access to any of our work sites. This has resulted and vandalize and theft of tools supplies and finished products. Signage and not been successful in the past. The public either cannot read the signs or just disregards them!!
- 5 There is currently a letter of credit and a bond in place for reclamation.

6 Inactivity is an incorrect statement. We were directed not to work in the quarry until the Immigrant Pass Road mill site had been reclaimed. I have been actively been trying to market this waste material on the mill site. Again in 2008, we improved a section of Immigrant Pass Road with waste from the mill site. This provided a benefit for the public as well for American Stone and us. I have spent the last 18 month on a deal for this waste pile. In October of this year, we were able to remove 2660 tons for a special patented product. We are expecting another order this summer. As this continues, we would expect to deplete this pile in 2015. If the demand continues, we will remove the waste material in the quarry next. The new mill site would be a staging area for truck and equipment. We do not plan to improve the road to the quarry. It will remain as when we purchased the pit.

We would like to have a sit down meeting with you and Lynn in late February. I have been working in Canada about 2/3 of my time. A meeting on Monday or Friday would be the most convenient.



Mike Pauletto

Managing Member of I & P Investments LLC

Jan 22, 2014